

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 20753 01 OF 02 231202Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 SAJ-01
/059 W

----- 105311 /12

P R 231100Z DEC 76
FM AMEMBASSY ROME
TO SECSTATE WASHDC PRIORITY 1898
INFO AMCONSUL FLORENCE
AMCONSUL MILAN
AMCONSUL NAPLES
USMISSION EC BRUSSELS

LIMITED OFFICIAL USE SECTION 1 OF 2 ROME 20753

E.O. 11652: N/A
TAGS: PINT, PGOV, IT
SUBJECT: THE ITALIAN PARLIAMENT'S RECORD AT THE HOLIDAY RECESS

SUMMARY. THE HOLIDAY RECESS OF THE ITALIAN LEGISLATURE (WHICH BEGAN DEC 22) PROVIDES AN OPPORTUNITY TO ASSESS THE ANDREOTTI GOVERNMENT'S PARLIAMENTARY RECORD DURING ITS FIRST FOUR MONTHS. DESPITE THE APPARENT FRAGILITY AND WEAKNESS OF A MINORITY GOVERNMENT DEPENDENT ON OUTSIDE SUPPORT, THERE ARE AN IMPRES- SIVE NUMBER OF LONG-STANDING SOCIAL AND ECONOMIC ISSUES THAT ANDREOTTI HAS BEEN ABLE TO DEFUSE AND ADROITLY BRING INTO THE LEGISLATIVE ARENA. TO BE SURE, THE LEGISLATURE HAS COM- PLETED ACTION ON ONLY THE MOST URGENT PROVISIONS (IN PAR- TICULAR, THE LABOR COST ISSUE MUST STILL BE FULLY CONFRONTED). HOWEVER, ANDREOTTI HAS IN GOOD MEASURE MANAGED TO EXPLOIT THE STRENGTHS OF HIS PECULIAR SITUATION (THE FACT THAT NO POL- ITICAL PARTY CURRENTLY SEES AN ALTERNATIVE) AS WELL AS THE ECONOMIC CRISIS ITSELF TO HIS (AND THE DC'S) POLITICAL ADVAN- TAGE. FAR FROM AN IMAGE OF A DO-NOTHING GOVERNMENT DEPENDENT ON THE PCI'S WHIM, THE ANDREOTTI MONOCOLORE IS PERCEIVED BY
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 20753 01 OF 02 231202Z

A LARGE SHARE OF THE PUBLIC AS HAVING RETAINED THE POLITICAL INITIATIVE AND CREDITED FOR ITS RESPONSIBLE AND SERIOUS AUS- TERITY PROGRAM. ALTHOUGH THE PCI'S ESSENTIAL ROLE IS GENER- ALLY RECOGNIZED, IT ODDLY GAINS LITTLE CREDIT FOR ITS CON- TRIBUTIONS. WHEN PARLIAMENT RECONVENES ON JAN 10, ATTENTION WILL CONTINUE TO CENTER ON ECONOMIC ISSUES, ALTHOUGH THERE

WILL BE IMPORTANT DEBATES ON ABORTION AND PUBLIC ORDER. END SUMMARY.

2. BOTH HOUSES OF THE ITALIAN PARLIAMENT ADJOURNED BY DECEMBER 22 FOR A HOLIDAY RECESS WHICH WILL LAST UNTIL JANUARY 10. A GLANCE AT THE RECORD SHOWS THAT THE ANDREOTTI GOVERNMENT, EVEN THOUGH IT HAS OPERATED WITHIN THE NARROW CONSTRAINTS IMPOSED BY ITS MINORITY CHARACTER, HAS SUCCEEDED IN BRINGING BEFORE THE PARLIAMENT AN IMPRESSIVE NUMBER OF LEGISLATIVE PROPOSALS ON MANY SOCIAL AND ECONOMIC ISSUES WHICH HAVE BEEN PENDING FOR SOME TIME (YEARS IN MANY CASES). THE LEGISLATURE ITSELF HAS MOVED FORWARD ON MANY OF THE PROPOSALS, COMPILING A LARGELY POSITIVE RECORD WHICH HAS ESTABLISHED A BASE FOR MORE PROGRESS AFTER THE RECESS.

3. AT THE START OF ITS SESSION, THE PARLIAMENT WAS UNDERSTANDABLY CONCERNED MOSTLY WITH ORGANIZATIONAL MATTERS AND WITH EMERGENCY PROVISIONS SUCH AS THOSE IN FAVOR OF THE EARTHQUAKE VICTIMS OF FRIULI AND THOSE HURT BY TOXIC GAS AT SEVESO. LATER, THE LEGISLATURE WAS CALLED UPON TO REACT TO THE GOVERNMENT'S EMERGENCY MEASURES, AND DID SO BY CONVERTING INTO LAW THE GOVERNMENT DECREES ON 7 PERCENT TAX ON TRANSACTIONS IN FOREIGN CURRENCIES, THE CLANDESTINE EXPORT OF CAPITAL, THE INCREASE IN THE PRICE OF PETROLEUM PRODUCTS, THE INCREASE IN WITHHOLDING TAX ON CORPORATE DIVIDENDS AND THE TEMPORARY AND PARTIAL SUSPENSION OF SOME WAGE INDEXATION PAYMENTS. IN ADDITION TO THESE REACTIVE MEASURES, THE PARLIAMENT COMPLETED ACTION ON THE 1977 APPROPRIATIONS BUDGET AND A NEW LAW GOVERNING MILITARY SERVICE. THIS LATTER MEASURE RADICALLY ALTERED THE STATUS OF PERSONS IN THE MILITARY, ESPECIALLY DRAFTEES, LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ROME 20753 01 OF 02 231202Z

GUARANTEEING A SERIES OF CIVIL RIGHTS NOT HITHERTO AFFORDED.

4. IN ADDITION TO THE MEASURES PASSED BY BOTH HOUSES, THE CHAMBER HAS APPROVED THE TREATY OF OSIMO WITH YUGOSLAVIA CONCERNING THE STATUS OF TRIESTE, AND A BILL ON UTILIZATION OF LAND FOR BUILDING PURPOSES. THE SENATE HAS PASSED THE GOVERNMENT'S PROPOSALS FOR INDUSTRIAL RECONVERSION, AND 8,000 BILLION LIRA PROGRAM FOR THE PERIOD 1977-80. THE CHAMBER TOOK THE FIRST CONCRETE ACTION IN YEARS TOWARD A NEW ACCORD WITH THE VATICAN WHEN IT AUTHORIZED THE GOVERNMENT TO RECOMMENCE NEGOTIATIONS, USING THE RECORD OF THE CHAMBER DEBATE AS GUIDELINES. IT IS NOTEWORTHY THAT THE CHAMBER DEBATE WAS, TAKEN AS A WHOLE, FAVORABLE TO THE DC'S APPROACH TOWARD REVISION OF THE CONCORDAT. NEITHER THE COMMUNISTS NOR, CONTRARY TO EXPECTATIONS, THE SOCIALISTS TOOK RIGID POSITIONS AGAINST THE DC.

5. WHEN THE PARLIAMENT RECONVENES, IT WILL FACE DEBATE IN

THREE CRUCIAL AREAS--PUBLIC ORDER, ABORTION, AND THE ECONOMY. FOR THE GOVERNMENT, THE ISSUE OF PUBLIC ORDER POSES THE FEWEST POLITICAL PROBLEMS. THE COLLEGIAL CONSULTATIONS HELD ON DECEMBER 17 IN THE WAKE OF THE WAVE OF VIOLENCE SEEM TO HAVE PRODUCED GENERAL INTER-PARTY AGREEMENT THAT NEW LEGISLATIVE ACTION SHOULD TAKE A BACK SEAT TO BETTER ENFORCEMENT OF EXISTING MEASURES AND MORE ATTENTION TO THE TRAINING AND SELECTION OF POLICE AND SECURITY FORCES.

6. ON ABORTION, THE LAY PARTIES HAVE BOTH AN ASSURED MAJORITY AND AGREED COMMON BILL. WITH NO PARTY PRESSING FOR IMMEDIATE PASSAGE, THE DC HAS BEEN ABLE TO PREVENT A VOTE ON THE ISSUE BEFORE THE RECESS BY ENGAGING IN A FILIBUSTER. AFTER THE RECESS, HOWEVER, THE OUTLOOK IS THAT THE DC WILL EVENTUALLY PERMIT A VOTE AND THAT THE LAY PARTY BILL WILL PASS, PERHAPS BY MID-JANUARY. THERE IS NO INDICATION THAT THE DC INTENDS ANY LAST MINUTE SURPRISES ON THE ABORTION ISSUE.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 ROME 20753 02 OF 02 231220Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 SAJ-01
/059 W

----- 105523 /12

P R 231100Z DEC 76
FM AMEMBASSY ROME
TO SECSTATE WASHDC PRIORITY 1899
INFO AMCONSUL FLORENCE
AMCONSUL MILAN
AMCONSUL NAPLES
USMISSION EC BRUSSELS

LIMITED OFFICIAL USE SECTION 2 OF 2 ROME 20753

7. MUCH MORE IMPORTANT WILL BE PARLIAMENTARY HANDLING OF THE REMAINDER OF ANDREOTTI'S ECONOMIC PACKAGE. HERE, A NUMBER OF FACTORS WILL CONVERGE INSIDE AND OUTSIDE THE PARLIAMENT TO SET THE SCENE FOR CHAMBER CONSIDERATION OF THE INDUSTRIAL REORGANIZATION PROPOSALS AND WHATEVER MEASURES AIMED AT REDUCING THE COST OF LABOR THAT PM ANDREOTTI MIGHT INTRODUCE. AFTER THE DECEMBER 17 COLLEGIAL CONSULTATIONS ON POLITICAL VIOLENCE--THE FIRST SUCH MEETING BETWEEN ANDREOTTI AND THE LEADERS OF THE ABSTAINING POLITICAL PARTIES--PRI PRESIDENT

UGO LA MALFA ASSERTED THAT THE ECONOMIC SITUATION IS JUST AS CRITICAL AS THE PUBLIC ORDER SITUATION, AND RENEWED HIS ADVOCACY OF EMERGENCY COLLEGIAL CONSULTATIONS ON THE ECONOMY BETWEEN THE PRIME MINISTER AND THE LEADERS OF THE ABSTAINING POLITICAL PARTIES. THIS PROPOSAL, ORIGINALLY MADE EARLIER IN THE FALL BY THE PCI, ALSO ENJOYS SOCIALIST SUPPORT. THE INITIAL DC RESPONSE WAS UNEQUIVOCALLY NEGATIVE, WITH THE PARTY NEWSPAPER INTONING THAT "THE POLITICAL PICTURE CANNOT BE TOUCHED." LATER, HOWEVER, DC SECRETARY ZACCAGNINI SOFTENED THE NEGATIVE STAND BY AGREEING TO BRING LA MALFA'S SUGGESTION BEFORE THE PARTY DIRECTORATE. WE VIEW THIS DECISION LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 20753 02 OF 02 231220Z

AS A POLITE MEANS OF DEFUSING THE ISSUE--NO DIRECTORATE MEETING IS SCHEDULED--WHILE AT THE SAME TIME MAINTAINING PM ANDREOTTI'S CLEAR DISTINCTION BETWEEN THE GOVERNMENT AND THE ABSTAINING PARTIES. FUTURE CONSIDERATION OF LA MALFA'S PROPOSAL WILL COINCIDE WITH THE GOVERNMENT'S CONSULTATIONS WITH THE LABOR CONFEDERATIONS AND ITS EVALUATION OF THE PROGRESS MADE BY LABOR AND MANAGEMENT TOWARD REDUCTION OF THE COST OF LABOR. THE GOVERNMENT'S DECISION ON FURTHER ECONOMIC MEASURES AND A FURTHER DC PRONOUNCEMENT ON COLLEGIAL CONSULTATIONS WILL IN TURN SET THE MOOD FOR THE CHAMBER DEBATE ON INDUSTRIAL RECONVERSION.

8. ANOTHER IMPORTANT FUTURE BENCHMARK WILL BE THE PARLIAMENTARY INQUIRY COMMITTEE'S VOTE, SCHEDULED FOR JANUARY 15, ON THE LOCKHEED SCANDAL. THE COMMITTEE'S DECISION WILL COME BEFORE A JOINT SESSION OF PARLIAMENT FOR RATIFICATION. NO MATTER WHAT THE COMMITTEE'S DECISION TURNS OUT TO BE, THE PARLIAMENTARY DEBATE, WITH THE INEVITABLE PUBLIC AIRING OF DIRTY LAUNDRY, IS SURE TO BE AN EMBARRASSING TIME FOR THE DC.

9. THE ISSUE OF LIBERTY OF THE AIRWAVES IS ALSO AN UNRESOLVED ISSUE. ALTHOUGH THE GOVERNMENT HAS NOT YET PRESENTED ITS PROPOSALS FOR REGULATION OF RADIO AND TV LICENSES (A SUPREME COURT RULING RENDERED THE RAI MONOPOLY UNCONSTITUTIONAL), MINISTER OF POSTS AND TELECOMMUNICATIONS VITTORINO COLOMBO HAS INDICATED THAT HE SUPPORTS A LIBERAL POLICY WITH REGARD TO PRIVATE AND FOREIGN TELEVISION STATIONS. THE PCI AND PSI HAVE MEANWHILE REVERSED THEIR POSITIONS OF TWO YEARS AGO AND ARE DEMANDING STRICT REGULATION OF FOREIGN STATIONS. THE LEFT'S STANCE IS GENERALLY CONSIDERED TO BE AIMED AGAINST TELE MONTE CARLO, WHICH HAS GIVEN INDRO MONTANELLI, THE CONSERVATIVE EDITOR OF IL GIORNALE, A TELEVISION VOICE. A HEATED DEBATE MAY BE EXPECTED WHEN THE GOVERNMENT PRESENTS ITS PROPOSALS ON THIS ISSUE.

10. OTHER IMPORTANT MATTERS ARE PRESENTLY WORKING THEIR WAY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ROME 20753 02 OF 02 231220Z

THROUGH THE PARLIAMENTARY COMMITTEE SYSTEM AND SHOULD EMERGE FOR FLOOR DEBATE DURING THE EARLY PART OF 1977. THESE INCLUDE THE LONG-AWAITED BILL ON FAIR RENTS FOR HOUSING (EQUO CANONE), REGULATIONS CONCERNING PERSONNEL AND PROMOTIONS OF ARMED FORCES OFFICERS AND OF AIR FORCE NCO'S, MODERNIZATION OF AIR FORCE AND ARMY EQUIPMENT, AND REGULATIONS CONCERNING MILITARY DISCIPLINE. FINALLY, THE PARLIAMENT MUST ALSO COME TO GRIPS WITH THE BILL PRESENTED BY THE GOVERNMENT ON NOVEMBER 8, 1976 ON REFORM OF THE INTELLIGENCE AND SECURITY SERVICE. THIS IMPORTANT PROPOSAL ENVISAGES PLACING SUPERVISION OF INTELLIGENCE, COUNTERINTELLIGENCE AND SECURITY ACTIVITIES IN THE HANDS OF A COMMITTEE CHAIRED BY THE PRIME MINISTER AND INCLUDING THE MINISTERS OF FOREIGN AFFAIRS, INTERIOR, JUSTICE AND DEFENSE.

11. COMMENT. THE PARLIAMENTARY RECORD OF THE ANDREOTTI GOVERNMENT IS NECESSARILY INCOMPLETE. WE RECOGNIZE THAT FINAL ACTION ON SOME CRUCIAL ECONOMIC ISSUES (E.G. LABOR COSTS) MAY STILL HAVE TO BE TAKEN BY PARLIAMENT. THIS SAID, WE NEVERTHELESS BELIEVE THAT THE GOVERNMENT HAS TURNED IN A SOLID PERFORMANCE IN ITS MANAGEMENT OF AN AMBITIOUS LEGISLATIVE PROGRAM. CONTRARY TO THE EXPECTATIONS OF SOME OBSERVERS, ANDREOTTI HAS NOT LED A DO-NOTHING GOVERNMENT DEPENDING UPON THE WHIMS OF THE PCI. TO BE SURE, THE GOVERNMENT IS DEPENDENT UPON THE PCI AND OTHER ABSTAINING PARTIES IN GETTING ITS PROGRAM THROUGH PARLIAMENT. HOWEVER, THE SIGNIFICANT POINT IS THAT THE MEASURES HAVE BEEN DEVISED BY ANDREOTTI, AND HAVE BEEN PERCEIVED BY THE PUBLIC AS SUCH. BY NOT SACRIFICING HIS LEADERSHIP PREROGATIVES AND BY TAKING THE INITIATIVE, ANDREOTTI IS GIVEN CREDIT, AT LEAST TODAY, FOR LEADING A GOVERNMENT OF ACTION. THE PCI, ON THE OTHER HAND, HAS RECEIVED LITTLE CREDIT FOR ITS ROLE AND IS NOW FOR THE FIRST TIME SUFFERING THE PAINS OF PUBLIC DOUBT AND INTERNAL DISSENSION. WITHOUT EXAGGERATING THE IMPORTANCE OF THIS, THE RE-OPENING OF PARLIAMENT WILL DOUBTLESS BE AN INTERESTING TIME.

BEAUDRY

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 ROME 20753 02 OF 02 231220Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, CENTRAL LEGISLATURE, PROGRAMS (PROJECTS), POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 23 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ROME20753
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760471-0029
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761216/aaaaanyz.tel
Line Count: 270
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 06 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 APR 2004 by ShawDG>; APPROVED <06 AUG 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: THE ITALIAN PARLIAMENT'S RECORD AT THE HOLIDAY RECESS SUMMARY. THE HOLIDAY RECESS OF THE ITALIAN LEGISLATURE (WHICH BEGAN DEC 22) PROVIDES AN OPPORTUNITY TO ASSESS TH
TAGS: PINT, PGOV, IT
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006